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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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	:	
	:	Chapter 11
In re	:	
	:	Case No. 05-44481 (RDD)
DELPHI CORPORATION, <i>et al.</i> ,	:	
	:	(Jointly Administered)
	:	
Debtors.	:	
-----	x	

**OBJECTION OF METHODE ELECTRONICS, INC. TO DEBTOR'S NOTICE OF NON-
ASSUMPTION UNDER THE MODIFIED PLAN WITH RESPECT TO CERTAIN
EXPIRED OR TERMINATED CONTRACTS OR LEASES PREVIOUSLY DEEMED TO
BE ASSUMED OR ASSUMED AND ASSIGNED UNDER CONFIRMED PLAN OF
REORGANIZATION (AS LISTED IN DOCKET NO. 17728)**

Methode Electronics, Inc. and its affiliates ("Methode"), by its undersigned counsel,
hereby submits this Objection to the Debtor's Notice of Non-Assumption Under the Modified
Plan With Respect to Certain Expired or Terminated Contracts or Leases Previously Deemed to
be Assumed or Assumed and Assigned Under Confirmed Plan of Reorganization (the
"Objection"). In support of this Objection, Methode respectfully represents as follows:

I.
INTRODUCTION

1. On October 8, 2005 (the “Petition Date”), the above-captioned debtors (the “Debtors”) filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101, et seq. (the “Bankruptcy Code”) in the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”).

2. The Debtors continue to operate their businesses and manage their properties as debtors in possession pursuant to Sections 1107 and 1108 of the Bankruptcy Code.

3. No trustee or examiner has been appointed in these chapter 11 cases.

4. An official committee of unsecured creditors (the “Committee”) was appointed on or about October 17, 2005.

II.
OBJECTION

5. On or about July 8, 2009, the Debtors filed their Affidavit of Service (the “Affidavit of Service”) of the Notice of Non-Assumption Under the Modified Plan With Respect to Certain Expired or Terminated Contracts or Leases Previously Deemed to be Assumed or Assumed and Assigned Under Confirmed Plan of Reorganization (the “Notice of Non-Assumption”).

6. The Notice of Non-Assumption, among other things, states that the contracts “listed on Schedule 1 attached hereto will not be assumed or assumed and assigned by the Debtors, as provided in the Modified Plan and the Supplement, because such contract(s) have expired or terminated.” On Schedule 1 of the Notice of Non-Assumption, the Debtors identify 29 contracts (the “Proposed Non-Assumed Contracts”) listing Methode as the contract counterparty. Of the Proposed Non-Assumed Contracts, 20 are valid contracts and/or purchase

orders which have not expired or been terminated (the “Valid Contracts”). The Valid Contracts are identified on Exhibit 1 attached hereto. Methode agrees that the remaining 9 contracts (the “Agreed Expired Contracts”) have expired or were otherwise terminated. The Agreed Expired Contracts are identified on Exhibit 2 attached hereto.

7. Methode objects to the Debtors’ purported non-assumption of the Valid Contracts. The Valid Contracts are valid purchase orders issued pursuant to a contract dated September 4, 2008 (the “September 2008 Contract”) between Methode and the Debtors, and the purchase orders issued in conjunction therewith expire on September 30, 2011.¹ Rather, the Valid Contracts are all postpetition contracts which are not subject to assumption or rejection. See In re Dant & Russell, Inc., 853 F.2d 700, 706 (9th Cir. 1988) (11 U.S.C. § 365(a) is inapplicable to leases executed postpetition by chapter 11 debtor-in-possession); In re Kreger, 296 B.R. 202, 207 (Bankr. D. Minn. 2003) (bankruptcy statute governing a debtor’s executory contracts and unexpired leases applies only to debtor’s prepetition contracts and did not apply to postpetition sales agreement). Moreover, Methode continues to deliver product to the Debtors pursuant to the Valid Contracts and believes that the Contracts remain in full force and effect.

8. Methode does not disagree that the Agreed Expired Contracts have expired or been otherwise terminated, but hereby expressly reserves its rights to object to any treatment of the Valid Contracts, and any purchase orders issued pursuant to the September 2008 Contract, other than the Debtors’ continued performance of its obligations thereunder. Methode further reserves its right to supplement this Objection if necessary.

¹ The September 2008 Contract contains confidential information and can be requested from counsel for Methode subject to a confidentiality agreement, as appropriate.

WHEREFORE, Methode respectfully requests that the Court (a) sustain the Objection
and (b) grant such other further relief as is just and proper.

Dated: Chicago, Illinois
August 5, 2009

Respectfully submitted,

/s/ Timothy S. McFadden
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ATTORNEYS FOR METHODE ELECTRONICS, INC.

Exhibit 1

Valid Contracts

D0550063028
D0550063036
D0550063063
D0550063064
D0550063072
D0550063080
D0550063121
D0550063132
D0550063133
D0550063135
D0550063157
D0550063164
D0550063175
D0550064735
D0550064737
D0550070551
D0550071064
D0550076945
D0550076955
D0550063050

Exhibit 2

Agreed Expired Contracts

D0550039301
D0550039491
D0550039878
D0550076871
D0550063041
D0550063137
D0550063145
D0550076676
D0550081880